Mrs L Clark-Scrimgeour
Wear Bridge House
Bouth
Ulverston
Cumbria
LA12 8JB

29th August 2024

Dear Louise,

Re: ISA/Pension/Cashflow Plan

This report aims to summarise your objectives and then provide recommendations in order to keep your financial plan on track to meet these objectives.

Following on from the objectives and recommendations there is supporting information in the appendices including analysis that you may find useful.

Objectives

You have reached the stage in life when you wish to consider whether your savings will be sufficient for your retirement which ideally you would like to happen when you reach age 55.

Therefore, you have asked us to build you a cashflow plan to assess your current progress so that you can see what action you need to take (if any) in order to reach your objective.

As part of this exercise, you have asked us to review your stocks and shares ISA and pensions with Parmenion.

Recommendation

Transfer your Parmenion ISA & 2 Pensions to AJ bell Investcentre, you should also redirect your £200 per month contribution to a Lifetime ISA with AJ bell.

The underlying fund you should invest in is the **Vanguard Lifestrategy 60% equity fund**.

Rationale

This change will simplify your holdings and reduce the ongoing cost of both your pension and ISA contracts. The LISA will benefit from a 25% bonus per contribution. Your LISA can be withdrawn tax free when you reach the age of 60 which will provide you more money and options when it comes to your overall plan.

Our research suggests that based on mid growth rates (2.10%) you will save £5,000 in charges from now until the age of 58 by switching pension contracts.

A cashflow forecast has been produced separate to this report which outlines your progress with regards your chances of retiring at 55.

We trust that this letter provides an accurate summary of our discussions and our recommendations are clear; however, should you have any concerns or wish to discuss any of the issues raised in more detail please do not hesitate to contact us.

Yours sincerely
For Harwood Financial Planning

Ryan J Woodhouse
Independent Financial Adviser/Director

To confirm you have read this report, your acceptance of our fact find, recommendation and consent for us to carry out this transaction, please sign below.

Appendix 1: Disclosure

The scope of our service is explained in the client agreement we provided you with on 18th December 2023 and you confirmed you did not wish to place any restrictions on the types of products or investment strategy when making our recommendation.

Our advice provided to you is based upon the information you have disclosed and therefore if this letter does not coincide with your view of the situation, or you require any further clarification, please let us know at your earliest convenience. It is important to emphasise any information in relation to your circumstances that has not been disclosed could have affected our advice to you.

Our recommendation has been limited to your objective of reviewing your Pension and ISA as these were the only financial planning areas you wish to review at present. Therefore, you may have other financial planning needs that are not addressed by this report.

Appendix 2: Your Attitude to Investment Risk

In order to understand what would represent an acceptable level of risk for you we follow a 3-step process. Firstly, we assess your psychological approach to risk through a risk questionnaire. Secondly, we assess your circumstances including your capacity for loss and investor experience and the final step is to combine the first two steps to arrive at a suitable level of investment risk.

The funds recommended are based on the level of risk you are prepared to accept. This was discussed following the initial completion of a risk profiling questionnaire. Your risk profile was mapped to a 5 on a scale of 1 to 10 (a balanced investor).

5 - Balanced Investor

As a balanced investor, you are happy to take on investment risk and understand that this is crucial in terms of generating long-term return. You are willing to take risk with most of your available assets. This would typically mean a portfolio invested in a combination of bonds, property, UK and International shares – the share component for a balanced investor would be between 40% and 70% of the portfolio value.

It is important to note that a balanced investment can fall as well as rise in value and it would be quite common for this type of investment to rise or fall by 20% over a 12-month period. Although your investment is unlikely to fall by more than 20% over a 12-month period it is still possible.

Investment experience

Judging your investment experience is an important part of determining your overall risk profile. We say this, because the risk profile tool in isolation is a theoretical exercise i.e., it deals with hypothetical situations, whereas investing for real tests how you have reacted/responded to certain situations in reality. The way you respond to setbacks when investing is an important factor that can be determine the ultimate success/failure of your investment.

You have been investing with Parmenion for over 9 years; therefore, you have a reasonable idea of how risk-based investments work in practice.

Capacity For Investment Loss

When assessing your pension/investments, it is our responsibility to assess your ability to 'absorb' investment losses and whether this would have a detrimental impact on your standard of living. The following factors that are important to you in this respect are as follows:

- You have over £100,000 in cash savings between you and your husband
- No debt
- Your investment time horizon is at least 20 years

The above factors leave us feeling confident that a short-term fall in the value of your investments in line with the volatility levels outlined previously would not mean that you suffer a drop in living standards.

Your risk profile will be reviewed on an annual basis or if you inform us of a change in your circumstances.

Appendix 3: Plan Information

Plan	Fund Value
Parmenion ISA PCP99024	£14,700
Parmenion Pension PIA - 13784	£15,875
Parmenion Pension PIA - 13785	£15,885
Total	**£46,460**

AJ Bell Investcentre Retirement Investment Account

AJ Bell Investcentre is part of AJ Bell – one of the UK's largest providers of online investment platforms and stockbroker services. AJ Bell Holdings Limited is the parent company of the AJ Bell Group of companies.

Lifetime ISA

You can use a Lifetime ISA (Individual Savings Account) to buy your first home or save for later life. You must be 18 or over but under 40 to open a Lifetime ISA.

You can put in up to £4,000 each year, until you're 50. The government will add a 25% bonus to your savings, up to a maximum of £1,000 per year. The Lifetime ISA limit of £4,000 counts towards your annual ISA limit. This is £20,000 for the 2021/22 tax year.

Any gains generated within an ISA will be free of income tax and capital gains tax, under current rules.

You can hold cash or stocks and shares in your Lifetime ISA, or have a combination of both.

When you turn 50, you will not be able to pay into your Lifetime ISA or earn the 25% bonus. Your account will stay open and your savings will still earn interest or investment returns.

You can withdraw money from your ISA if you are:

- buying your first home
- aged 60 or over
- terminally ill, with less than 12 months to live

You'll pay a 25% charge if you withdraw cash or assets for any other reason.

The withdrawal charge aims to recover the government bonus received and apply an extra charge to the original savings. This means if you treat your Lifetime ISA as a short-term savings product, you could get back less than you paid in.

Buying your first home

You can use your savings to help you buy your first home if all the following apply:

- the property costs £450,000 or less
- you buy the property at least 12 months after you open the Lifetime ISA
- you use a conveyancer or solicitor to act for you in the purchase - the ISA provider will pay the funds directly to them
- you're buying with a mortgage

Saving for later life

- You can take your savings out of a Lifetime ISA when you're 60 or over.
- You'll pay a 25% charge if you withdraw money or transfer the Lifetime ISA to another type of ISA before 60.
- If you die your Lifetime ISA ends on the date of your death. There's no charge to withdraw the funds or assets from your account.
- A Lifetime ISA is one of a number of ways to save for later life.

Appendix 4: Risks

All the risks associated with this investment are detailed in the product literature provided to you when you started your plans. You should refresh your understanding on this information. In addition, you should take note of the following risks:

- You should remember that unit prices and the value of your investment can fall as well as rise and there is no guarantee you will receive a return of your original capital. Past performance is no guarantee of future returns.
- You should note that, whilst your switches are taking place, there could be movements within the stock-market; that is to say that the stock-market could rise or fall in value. If the market rises in value between the date of realising your existing funds and the purchase of your new funds, you could be financially disadvantaged insofar as the cost of buying your new fund could be greater. Conversely, if there is a fall in the market between the date of realising your existing funds and the purchase of your new funds, you could be financially advantaged insofar as the cost of buying your new funds could be lower.
- There is no guarantee the return on the new funds will be greater than that of your existing funds and could possibly be lower.

Appendix 5: Estimated Fee's/Charges (next 12 months)

Our initial fee for this work is £750 that will be deducted from AJ bell on completion of the switch.

Following this recommendation, the estimated ongoing charges/fees on your AJ Bell RIA will be as follows (based on a value of £31,010):

Type of Charge	Charge (%)	Charge (£)
Fund Charges	0.22	68.22
Product Charge	0.25	77.52
Total Charge	**0.45%**	**145.74**

Following this recommendation, the estimated ongoing charges/fees on your AJ Bell ISA will be as follows (based on a value of £14,700):

Type of Charge	Charge (%)	Charge (£)
Fund Charges	0.22	32.34
Product Charge	0.25	36.75
Total Charge	**0.45%**	**69.09**

Appendix 6: Miscellaneous

Product Documentation

The documentation provided at outset is important and contains information regarding the product which we have recommended, particularly with regards to how the product works, its aims, risks and charges, together with its legal status, tax treatment and your cancellation rights. Therefore, please ensure you have read this document carefully. If there are any points on which you are unsure, or require further clarification, please contact us and we will be pleased to explain these in greater detail.

Tax Treatment and Law

All statements concerning the tax treatment of products and their benefits are based on our understanding of current tax law and His Majesty's Revenue and Customs (HMRC) practice. Levels and basis of tax relief are subject to change.

Financial Services Compensation Scheme (FSCS)

You may have full rights to the Financial Services Compensation Scheme (FSCS). The FSCS provides compensation should your chosen provider become insolvent and be unable to honour a claim under your policy. The levels of compensation vary depending on the type of contract concerned and the limits for each type of category are available at www.fscs.org.uk.

Wills and Lasting Powers of Attorney

You have confirmed you have a valid Will. You should always review this whenever your circumstances change.

It would also be prudent to set up and register Lasting Powers of Attorney for “property and financial affairs”, to ensure that in the event of your incapacity, your spouse/partner/relative could act on your behalf.

Nomination on death

You have previously completed a nomination of beneficiary/expression of wish form. In the event of your death the policy proceeds, subject to the trustees’ discretion, are paid to your chosen beneficiary.

What happens when you die? –

Should you die before age 75, the nominated beneficiary can receive a lump sum, drawdown an income or purchase a dependents annuity. All these options are paid free of tax.

Where you die after the age of 75 the same options are available, but tax is paid at the beneficiary’s marginal rate of tax